

Speech: “We have to invest in good work,” – Theresa May’s speech at Taylor Review Launch

A year ago, I stood outside Downing Street for the first time as Prime Minister, and I set out the defining characteristics of the government I was determined to lead.

A clear understanding that the EU referendum result was not just a vote to leave the European Union, but a deeper and more profound call for change across our country.

A belief that at the heart of that change must lie a commitment to greater fairness in our country as we tackle the injustices and vested interests that threaten to hold us back, and make Britain a country that works for everyone, not just a privileged few.

And a determination to address difficult issues and take big decisions in the long-term interests of Britain, so that we emerge from this period of great national change stronger and better able to seize the opportunities ahead as we fulfil the promise of Brexit together.

And though the result of last month’s general election was not what I wanted, those defining beliefs remain; my commitment to change in Britain is undimmed; my belief in the potential of the British people and what we can achieve together as a nation remains steadfast; and the determination I have to get to grips with the challenges posed by a changing world never more sure.

I am convinced that the path that I set out in my first speech outside Number 10, and upon which we have set ourselves as a government, remains the right one.

It will lead to the stronger, fairer Britain that we need. It will deliver the change people want. It will ensure we make the most of this opportunity to ask ourselves what kind of country we want to be and to answer that question with confidence, optimism and hope.

That is why I am so grateful to Matthew for the report he is publishing today.

Because the issues it confronts go right to the heart of the government’s agenda and right to the heart of our values as a people.

The nature of employment is central both to our national economic success, but also to the lives we all lead. From the end of our childhoods until the years of retirement, if we don’t win the National Lottery jackpot, the vast majority of us will expect to devote at least half of our waking hours, on most days of the week, to work. A good job can be a genuine vocation,

providing intellectual and personal fulfilment, as well as economic security.

With good work can come dignity and a sense of self-worth. It can promote good mental and physical health, and emotional well-being.

And our motivations for going out to work are deeply personal. It is how we provide for ourselves and our families. It's how we pay the mortgage or the rent to keep a roof over our heads, how we put food on the table and provide for our old age.

And as Matthew says in his report, 'work is a pathway out of poverty'.

Think of the household where a mum or dad, a brother or sister, or a grandchild moves into employment. They can gain the security of a regular wage, the opportunity to plan for the future. A child can grow up seeing a parent go out to work every day, and inwardly form the expectation that they will do the same.

Imagine that child a few years later, taking the step from education into employment and starting her working life on the front foot. She is setting herself on the road to a fulfilling career and a happier life.

Imagine her father, who might have been unemployed for years, who might have given up all hope of working again, getting a job thanks to the tailored support of Universal Credit. He will have helped himself, his family and the whole country.

That is the real value of work, and we should never lose sight of it.

At the same time we will always back enterprising small and medium-sized business owners. They are people who take risks with their own economic security in order to start and grow a business, contribute to our national success and provide employment to other people.

They don't play it safe – they put faith in their talent and hard work and take a chance. When they succeed, we all benefit.

So as aspiration becomes reality, as an idea becomes an invoice, we will back those who dare to dream and who dare to think big.

And my message to them is clear and unequivocal – we respect the work you do and we will always be on your side when you do the right thing.

Our task, informed by the work of Matthew and his team, is to make sure that the high standards of our best employers become the benchmark against which all employers are judged.

As the world of work changes, our practices and laws must properly reflect and accommodate those changes. Because good work is in the interests of good business.

We know that flexible working opportunities help to ensure that employers don't miss out on the talents and skills of those who would otherwise be

unable to fit with the regular nine to five.

That investment in learning and progression for staff is not just valuable for employees, but also helps to boost productivity.

If we are to deliver our vision for Britain as a high-wage, high-skill economy then we know that we have to invest in good work.

As a government, we will always be on the side of hard workers and good employers. Just look at our record to date:

We have introduced for the first time a National Living Wage, giving 1.5 million workers the fastest pay rise in 20 years.

We have created a new director for Labour Market enforcement to stamp out exploitation and help protect workers' rights.

We have banned exclusivity clauses in zero hours contracts, to ensure that people always have the freedom to take on other work.

We have extended the right to flexible working and introduced shared parental leave, so both parents can spend time with their children in those important early months, but also carry on with their careers.

We have worked with business to ensure there are more women on boards than ever before, and are working with them again to take further steps to improve corporate governance.

All while at the same time the number of people in work is up by 2.9 million.

The unemployment rate is the lowest it has been since 1975.

And there are now over 800,000 fewer workless households since 2010 – a reduction of 21 per cent.

Youth unemployment is down 375,000 since 2010 – and long-term youth unemployment has halved.

That is the record of this government, and a record of which I am proud.

It's important to remember that almost three-quarters of the rise in employment over the last seven years has been in full-time jobs, and two-thirds of the jobs created since 2010 have been permanent positions.

But we do know that our experiences of work and employment are changing and that, driven by technology, they will go on changing in the years ahead.

For many, the traditional model of a full-time job with one employer is still the norm, but for others, newer and more flexible forms of work are increasingly common.

That is why I commissioned Matthew to produce this report for the government.

The result is a substantial piece of work, and I want to thank Matthew and

his fellow panel members for producing it.

They have travelled up and down the country – as you heard from Matthew – and spoken at length to workers and businesses to get an informed picture.

Their work will make a major contribution to the much-needed public debate on this issue.

What is clear from Matthew's report is that our response to the changing world of work cannot be to try to stop the clock.

Much of our success is built on the fact that we are an open, innovative economy, and we must remain that way. Indeed, one of the key findings of Matthew's report is that there is a great deal of good in 'the British way' – the model of employment we have here in Great Britain.

Its flexibility and responsiveness, alongside clear and consistent protections for employees and workers, are all sources of strength, and in responding to changes in the labour market, we must do nothing which weakens them.

But as the report also highlights – that flexibility cannot be one-sided, with workers shouldering the requirement to be available for work at very short notice, without any guarantee that work will actually be available or that they will be rewarded for their flexibility.

So while Matthew's report is clear that many workers value the flexibility that zero hours contracts offer them, and that banning such contracts altogether would harm more people than it would help, it is important that we continue to ensure that employers do not use these contracts to exploit people.

In other areas we may need to look again at where the law has not kept up with modern working practices, like for those who make use of platform working.

But just as often it can be a case of making sure that existing laws are properly understood and enforced.

For example, employing unpaid interns as workers to avoid paying the National Minimum Wage is illegal, but we need to make sure that employers and interns alike are clear on the rules.

And I absolutely share Matthew's ambition that all work should be fair and decent, with scope for development and fulfilment.

As Matthew says, good work and plentiful work can and should go together. The quantity of jobs remains vital, but quality matters too.

Because work is such a central aspect of most of our lives, we should also care about how people are treated when they are at work, whether they feel safe and secure, with the opportunity to get on and make progress.

So, we will study this report's contents carefully over the summer and respond in detail later in the year, but in the meantime let me set out some of the key principles which will guide us as we act to make employment fairer and more secure.

When it comes to taking action, I am determined that we do so in a fair way – fair to all workers and fair to businesses too.

We will build on the strengths of our labour market – what Matthew calls 'the British way'.

While avoiding overbearing regulation, we will make sure people have the rights and protections they need. That means building on our high employment rate and low unemployment rate – and continuing to strive for full employment.

It means retaining the flexibility that people value, and recognising that most employers treat their staff not just fairly but well.

It means remaining a home to innovation, new ideas and new business models, and recognising the risks and difficulties which those striving to build their own business face – not just on day one, but every day.

But it also means finding the right balance of rights and responsibilities, flexibilities and protections.

For business, it means taking their responsibilities seriously, and listening to their employees.

For government, it means increasing the National Living Wage so that people who are on the lowest pay see their wages go up as the economy strengthens, as well as supporting people to get into work and to make progress in their careers.

For us all, it means supporting people to live fuller working lives, and helping employers to retain the valuable skills and experience of older workers.

And because disability or a health condition should never dictate the path a person is able to take in their working life, it means helping everyone to progress in work, to get on, and to go as far as their talents will take them.

It will take time and a broad public debate to determine exactly the right action to take to ensure that we are living by all of these principles, and we will listen to all contributions to that debate.

But I am clear that the government will act to ensure that the interests of employees on traditional contracts, the self-employed and those people working in the 'gig' economy are all properly protected.

This report will provide the stimulus for that work across the range of employment types.

When I commissioned this report I led a majority government in the House of Commons. The reality I now face as Prime Minister is rather different.

In this new context, it will be even more important to make the case for our policies and our values, and to win the battle of ideas both in Parliament as well as in the country.

So I say to the other parties in the House of Commons – read this report, engage with the difficult issues it raises, come forward with your own views and ideas about how we can tackle these challenges as a country.

We may not agree on everything, but through debate and discussion – the hallmarks of our Parliamentary democracy – ideas can be clarified and improved and a better way forward found.

It is in that spirit that we will take this agenda forward in the months ahead.

And this new context presents us as a government with a wider choice.

At this critical time in our history, we can either be timid or we can be bold.

We can play it safe or we can strike out with renewed courage and vigour, making the case for our ideas and values and challenging our opponents to contribute, not just to criticise.

I think this country needs a government that is prepared to take the bold action necessary to secure a better future for Britain and we are determined to be that government.

In everything we do, we will act with an unshakeable sense of purpose to build the better, fairer Britain which we all want to see.